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H.491

Introduced by Representative McCormack of Burlington

Referred to Committee on

Date:

Subject: Conservation and development; taxation; solid waste; carryout bags;
earned income tax credit

Statement of purpose of bill as introduced: This bill proposes to establish a fee
of \$0.05 for each disposable carryout bag used by a person for the purpose of
carrying goods, food, or other products from a retail establishment.

An act relating to the use of disposable carryout bags

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. chapter 234 is added to read:

CHAPTER 234. USE OF DISPOSABLE CARRYOUT BAGS

§ 9851. DEFINITIONS

As used in this chapter:

(1)(A) “Disposable carryout bag” means a bag composed of plastic,
paper, or other single-use material provided by a retail establishment to a
consumer at the time of sale.

(B) “Disposable carryout bag” does not mean:

1 (i) a bag in which loose produce, nuts, fruits, meat, fish, flowers,
2 plants, prepared foods, baked goods, candy, small hardware items, or similar
3 items are placed by the customer to deliver such items to the point-of-sale area
4 of a store;

5 (ii) a bag provided by pharmacists to contain prescription drugs;

6 (iii) a bag used to deliver newspapers or drycleaning; or

7 (iv) bags sold in packages containing multiple bags and intended
8 for use for garbage, pet waste, or yard waste.

9 (2) "Retail establishment" means a place where goods, food, or other
10 products are offered to the public for sale, including supermarkets, grocery
11 stores, convenience stores, retail merchandise stores, and restaurants.

12 (3) "Reusable bag" means a bag designed and manufactured for multiple
13 reuse composed of:

14 (A) cloth or machine-washable fabric; or

15 (B) durable plastic that is at least 2.25 mils thick.

16 § 9852. DISPOSABLE CARRYOUT BAG; FEE

17 (a) A person shall pay at the time of purchase from a retail establishment a
18 fee of \$0.05 for each disposable carryout bag used by the person for the
19 purpose of carrying goods, food, or other products from the retail
20 establishment.

1 (b)(1) A retail establishment shall retain as a processing fee \$0.01 of each
2 \$0.05 fee collected under subsection (a) of this section for a disposable
3 carryout bag provided to a person at the time of purchase.

4 (2) The amount of each fee remaining after retention of the retail
5 establishment processing fee shall be paid to the Department of Taxes monthly
6 on or before the 25th day of the month following the month in which the fee is
7 collected.

8 (3) Until July 1, 2016, the Department of Taxes shall deposit the fees
9 collected under this section into the General Fund.

10 (4) Beginning July 1, 2016, the Department of Taxes shall deposit fees
11 collected under this section into the Waste Management Assistance Fund under
12 10 V.S.A. § 6618 for disbursements from the Solid Waste Management
13 Assistance Account.

14 (c) The fees collected by a retail establishment under this section shall not
15 be considered taxable income or revenue under chapter 151 of this title and
16 shall not be subject to the sales and use tax of chapter 233 of this title or the
17 meals and rooms tax of chapter 225 of this title.

18 § 9853. PENALTY

19 A person who violates a provision of this chapter shall be fined not more
20 than \$500.00 for each violation.

1 Sec. 2. 10 V.S.A. § 8003(a) is amended to read:

2 (a) The ~~secretary~~ Secretary may take action under this chapter to enforce
3 the following statutes and rules, permits, assurances, or orders implementing
4 the following statutes:

5 * * *

6 (22) 10 V.S.A. chapter 164A, collection and disposal of
7 mercury-containing lamps; ~~and~~

8 (23) 24 V.S.A. § 2202a, relating to a municipality's adoption and
9 implementation of a solid waste implementation plan that is consistent with the
10 ~~state~~ State solid waste plan; ~~and~~

11 (24) 10 V.S.A. chapter 167, relating to the use of disposable carryout
12 bags.

13 Sec. 3. 10 V.S.A. § 8503 is amended to read:

14 § 8503. APPLICABILITY

15 (a) This chapter shall govern all appeals of an act or decision of the
16 ~~secretary~~ Secretary, excluding enforcement actions under chapters 201 and 211
17 of this title and rulemaking, under the following authorities and under the rules
18 adopted under those authorities:

19 (1) The following provisions of this title:

20 * * *

21 (S) chapter 234 (use of disposable carryout bags).

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Sec. 4. EFFECTIVE DATE

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This act shall take effect July 1, 2013.